Alberni Valley Community Forest Corporation Annual General Meeting For Fiscal Year 2022 June 14, 2023 Agenda

- Welcome
- Introduction
 - Directors
 - Manager
- Chairperson's Report
- Financial Report
- Manager's Report
- Board membership
- Dividend
- Questions and Answers



Introduction

• Directors

- Jim Sears
- Gary Swann
- Chris Duncan
- Ed Proteau
- Bob Cole
- Warren Lauder
- Dwayne Hearn
- Manager
 - Chris Law

Port Alberni Port Alberni Port Alberni Port Alberni Sproat Lake Hupacasath Tseshaht

Sproat Lake Forestry Services Limited

Chairperson's Report

- Safety continues to be a focus for our Manager as he continues to monitor contractor compliance and standards. There were no accidents or safety issues noted in 2022.
- There were no wildfires on our Community Forest Tenure during the 2022 fire season. Our Manager has made every effort to ensure operations do not take place during high fire hazard periods and also does regular patrols during those high hazard periods.
- The Community Forest harvested approximately 11,000m3 in 2022. The harvest took place in both the Sproat area and the Taylor operating area. This has been our first harvest out of the Taylor Block for quite some time and was lower elevation second growth.
- Engineering for future harvesting operations continued in 2022 and continue today to plan for our operations in the coming years. We are using our prior long term plan as a base for our forward engineering.

Chair Person Report (Cont.)

- The Taylor Block issues mentioned in our last AGM remain in that we are not planning for any old growth harvesting in this area as the oldgrowth timber in the Taylor is under moritorium with no further resolution in site. The moritorium will have an effect on our sustained cut level and we are working to a lower level now of between 10,000 and 11,000 metres harvest annually.
- Our financial position at the end of 2022 continues to be strong with an end of the year retained earnings of 2,741,200 dollars. Our net income was 1,841,000. Rob Anderson will speak to this further to our financial position.
- Our Manager has continued to work with other user groups to ensure we offer a diversity of benefits to our community groups. New trails have been built and more have been planned to expand our trail network.

We continue to offer a range of benefits to the Alberni Valley both financially and access to our community Forest.

Forward Look

- Log markets and operations
 - Log markets have been favourable over the past years and 2022 saw the markets peak and have begun to move down into the level prior to the last few years that saw record high log prices.
- We will continue to work with the Trails Groups and other user groups to offer a diverse experience for our community

Our expansion efforts have not resulted in any credible options for expansion and we are currently working with what we have and looking at how we can maximize our opportunities while working with the current volume constraints.

Our planning has focused on maximizing the returns on smaller block sizes and focussing on those stands that are ready for harvest and yielding good returns without including timber stands that are not yet ready to harvest.

Financial Report Rob Anderson R.Anderson & Associates

Year ending Dec 31, 2022

Alberni Valley Community Forest Corporation 2022 AGM Managers Report. Third Five Year Cut Control Year Four



Chris Law RFT <u>manager@communityforest.ca</u> 250-731-5552 Cutting Permit 17 Harvested by Coastland

A and K Timber was contracted by Coastland to harvest timber in CP 17 A and K Timber is a Vancouver Island based company.



Cutting Permit 18 Harvested by Island Timberlands

A and K Timber was contracted by Island Timberlands to harvest timber in CP 18 A and K Timber is a Vancouver Island based company.



Harvesting in 2022

In 2022 AVCFC harvested and sold 11000 m3 of logs.

All harvesting was done early in spring, late fall or early winter avoiding high fire hazard





AVCFC Worked in Partnership with Tswak-qin Forestry on Culvert Replacement

Work was done on Bookhout Creek to replace to 2 very old Wooden Box Culverts that were at risk of caving in. This had the potential to cause environmental damage to the watershed. Coastal Bridge a local contracting company was hired to do the work and AVCFC and Tswak-qin shared the costs. Public access to popular recreation area was maintained.





Local Contractor Eagle Eye Enterprises Completed 2022 Road Rehabilitation

Work was done in the Sproat FDU on Bookhout Main to access the timber for Cutting Permit 17

Work was done on South Taylor Main to access the timber for Cutting Permit 18. Grass seeding to prevent stream siltation.





Continued Focus on Safety and Fire Prevention

Working with contractors to make sure fire truck and water pumps are onsite during fire season

Making sure all machines have spill kits fire extinguishers.



On Site Public Communication and Information

Keeping signs current about logging activities. Signs on hiking trails which access active areas.



Have to keep the signs elevated in the Taylor for the winter recreation users. Snowmobiles are becoming more popular in the Taylor FDU.



Planning for Visual Effect

Assessing 2022 harvesting after harvest is completed.

None of the harvesting in 2022 was visible from any viewpoints



Looking at 2022 harvesting from different vantage points to assess overall impact..



Working With BC Hydro to Reduce Tree Hazard Beside Powerline To West Coast Along Highway 4

A thin strip along Highway 4 was harvested to reduce hazard of trees hitting hydro line.

The trees were topped 20 years ago and all had forked tops and a defect making them more susceptible to breaking off in the wind.

BC Hydro has been constantly cutting them down each year and letting them rot at the side of the road.

Trees were harvested and hazard has been eliminated making highway 4 corridor safer.

The area was planted 6 months after harvest.



Hand Pruning to Reduce Windfall Along Highway 4 and Powerline to West Coast

Pruned edges along creeks and Highway 4 with tree climbers due to close proximity to powerline to West Coast Trees held up over winter of 2022-2023. No trees on powerline, Highway 4 or creek draws.





Providing Firewood to the Public

Waste wood moved on to roadside for easy safe access for the public to cut firewood. Reduces need to burn slash piles and reduces forest fire risk.

Fire Hazard monitored to shut down firewood cutting when fire hazard risk is too high





Silviculture Reforestation Utilizing Alberni Valley Employees

Community forest has planted 587,000 trees. 18,000 trees planted in 2022 by residents of the Alberni Valley Deer browse protection installed on 44,000 Western Red Cedar trees. 3400 installed in 2022 by local employees.



2022 Summer Drought Into October

Planting late Fall with water absorbing fertilizer resulted in good survival.

Follow up surveys showed 2023 survival and growth to be better than anticipated with the dry conditions.



2022 Good Year for Brushing. Wet Spring and Early Summer

A Wet Late Spring and Early Summer provided a good window to prune maple back to dominant stems.



Dry Summer and Fall reduced the amount of coppice growth. Maple create biodiversity and a healthier forest which is more resistant to forest fires.



Alberni Valley Community Forest Becoming More Popular for Recreation

Snow debris slide came down and blocked road leading to trail up Klitsa Creek to First Lake.



A new safer route was created from South Taylor Main which avoids all the slide tracks.



Increased Use of AVCF Lands During COVID 19 Has Continued Into 2022

All of the trail networks have seen a large increase of recreation use since Spring 2019.

Trail Head parking area Weiner Creek.





Garbage Clean Up in Community Forest

Tough economic situation for some people have them look for alternative living arrangements. Can create fire hazards when they live in the forests. AVCFC tries to clean up garbage quickly as garbage tends to attract more garbage. Most people don't want to be the first to leave garbage.





Harvesting Plans 202

Plan to harvest 10200 m3 of second growth fir in the Sproat FDU. This will be done late summer or early fall. Roads have already been built.

The decked wood from road construction needs to be painted to try and deter the firewood cutters from cutting it up until we can haul it out.





Board Membership

- Three of our Board representing the City of Port Alberni have ageed to continue in their positions
- The Sproat Lake representative has also agreed to continue is his role.
- Gary Swann is stepping down as a Board member after years of valueable volunteer service to the Community Forest. Gary was a founding member of the Community Forest and was one of the committee that worked tirelessly to get the Community Forest tenure for the Alberni Valley. The Alberni Valley Community Forest is indebted to Gary for his valued support and counsel. We will miss Gary's sage advise and partnership.

Dividends arising from 2022 Operations

- Our Board of Directors has approved awarding a dividend of \$300,000 to our shareholder, the City of Port Alberni.
- Our financial position is strong, but we are retaining a higher level of income at this time to address what may be higher logging development costs in the near future. We are looking at possibly needing to purchase one or two portable bridges in the next couple years to access some of our cut.